

11

Organization Change Submissions – Major

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Revision Sheet

Revision No.	Date	Revision Description

11.0 Introduction - Organization Change Submissions


Organization Change submissions will enable an organization to make changes to the principals in the first tier of its organization structure. Since the structure of an organization has to be the same for every property in which it plays a role, changes to the structure will apply "across the board" or globally.


APPS allows Users to view the prior and new value for each principal's organization role and ownership per cent.




Every organization change submission must have one of the following reasons:

- Major Organization Change
- Modified TPA
- Corporate Buyout
- Court Order/Inheritance
- Minor Organization Change

HUD will review three of the five types of organization change submissions - **major organization changes**, **modified TPA's** and **corporate buyouts** - because these changes will have a significant impact on the organization. HUD staff will not review submissions for minor organization changes and court order/inheritance. Please refer to Chapter 13 for more information on Minor Organization Changes.

 *Note: Use these submissions to add, edit, or remove principals, or to change a principal's role, ownership percentage, or starting date within entity.*

 *Note: A General Partner, Managing General Partner, or Limited Partner may change their percentage of ownership to greater than 25%. All other roles may change their percentage of ownership to greater than 10%.*

-  *Note: After the submission has been sent to HUD, the comments field will only accept comments for a withdrawal of the submission.*
-  *Note: If you send a Property Submission to HUD and subsequently send an Organization Change submission, APPS will allow the Property Submission to be reviewed. If, however, you send an Organization Change to HUD and subsequently send a Property Submission, APPS will hold the Property Submission until the Organization Change Submission has been reviewed. If at that time the Organization Change is approved, the Property Submission will then be reviewed.*
-  *For all Address changes some proof of the new address must be sent to HUD. This could be in the form of a memo on the company letterhead, a lease agreement or any other documentation that shows the correct address for the participant. Once your fax or email is received, HUD can correct the address.*

The information can be sent via email to the apps mailbox listed on the APPS home page or faxed, Attn PPSD Division along with a cover letter stating the details of the request to 202-708-0684.

11.1 Major Organization Change Submissions

 **Note:** *The System Identifies whether a submission is a major or minor organization change*

Major Organization Change Submissions will allow an entity to add, change principals from its organization structure. Both the Field Office and Headquarters staff will review these types of submissions because adding an entity can affect several Field Offices nationwide.

Users can add either individuals or organizations as principals in the applicant's organization.

If the principal being added is an organization, that organization must have completed a Baseline submission and must be an "active" organization (i.e., has not been bought out by another organization). If the principal being added is an individual, that individual may either exist within APPS or the User can create them.

Users can change the following information for principals in the applicant tier:

- Starting date in the organization
- Role in the organization (including changes to Limited Partner, General Partner or Managing General Partner)
- Ownership percent (including changing a partner's ownership to more than 25% or a non-partner's ownership to more than 10%)
- The same principal can exist only once in the applicant tier and only once in a principal's organization chain.

11.2 Creating a Major Organization Change Submission

1. The Organization Change Submission is a Wizard process that will take you through each of the steps. On the APPS home page select "Create Submission" from the Submission Processing drop-down list.

Active Partners Performance System

APPS Home Page

Submission Processing:

View My Submissions In Process

Create Submission

Edit Submission

View My Submissions In Process

View My Submissions In Review

Verify Submission History

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and submitting the information. This information is required to obtain benefits and is mandatory. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The regulations at 24 CFR Section 200.210 to 200.245 authorizes the U.S. Department of Housing and Urban Development (HUD) to request information from all principals applying to participate in multifamily housing programs. The information will enable HUD to evaluate whether or not principal participants will honor their legal, financial, and contractual obligations and determine if they pose an unsatisfactory underwriting risk.

Figure 11-1: APPS Home Page

- Click . The Create Submission screen displays.

Active Partners Performance System

Create Submission

TIN: (no dashes)

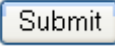
or

SSN: (no dashes)

[\[APPS Home Page\]](#)

Last Updated: May 12, 2004

Figure 11-2 Create Submission

3. Enter the applicant's TIN or SSN.
4. Click . The Create Submission screen will display.



Active Partners Performance System

Create Submission

Select the type of submission you would like to create:

Organization Change

Submit

[\[APPS Home Page\]](#)

Last Updated: May 12, 2004

User ID:
M11125

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[GSA EPLS](#)

[2530 Contacts](#)

Figure 11-3: Create Submission

5. Select Organization Change from the type of submission you would like to create drop down menu. Click on Submit.

6. The screen will refresh with a warning that by clicking on the Submit button it would lock your baseline.

Active Partners Performance System

Create Submission

This organization structure submission should only be used to add, change, or remove a person from your original baseline only after you have completed your baseline.

By creating this 2530 submission, you will lock your current baseline submission. This means that you will not be allowed to make any additional changes to your baseline. This action can not be reversed!

Are you sure you want to create a new submission?

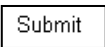
Select the type of submission you would like to create:

Organization Change

Submit

[\[APPS Home Page\]](#)

Figure 11-4: Create a Submission Screen

7. If you would still like to proceed Click  . The 2530 Submission Select a Reason screen will display.

Active Partners Performance System

2530 Submission
Select a Reason

Submission ID: 11666 Reason: Organization Change (Major)

Applicant: Test 3 Corporation (600000003) Current Status: In Process, 05/15/2006

Organization Change Reason: Organization Change (Major)

Next Step

Organization Change Reason:
-- Select A Reason --
Corporate Buyout
Organization Change (Court Order/Inheritance)
Organization Change (Minor)

Organization Change (Major)

Organization Change Reason

Last Updated: March 29, 2006

Figure 11-5: 2530 Submission Select a Reason Screen

8. Select the Organization Change Reason for the submission from the Select A Reason drop-down menu. (“Organization Change [Major]”).
9. Click . The 2530 Edit Organization Structure screen will display

Active Partners Performance System

2530 Submission
Edit Organization Structure

Submission ID: 11641 Reason: Organization Change (Major)

Applicant: Test 2 Corp (111222888) Current Status: In Process, 04/25/2006

Parent Participant: Test 2 Corp (111222888), Springfield, VIRGINIA

Select	Name	Type	Role	Ownership Percent	Begin Date in Organization	Direct Previous Participation	Certified	Change
<input type="radio"/>	Doe, James (111222666)	Individual	Member	0	12/11/2005	No	Yes	

Buttons: Add Principal, Edit Principal, Remove Principal

Buttons: Previous Step, Next Step, Save & Exit, Cancel Submission

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Left Sidebar:

- apps
- Feedback
- Secure Systems
- Housing
- HUD Home
- HUD LDPs
- GSA EPLS
- 2530 Contacts
- User ID: MXXXX
- Online Help
- Glossary

Figure 11-6: Edit Organization Structure Screen

11.3 Adding a Principal

1. From the Edit Organization screen Click [Add Principal](#) . The Participant Search screen displays.

Active Partners Performance System

Participant Search

TIN: (no dashes)
or
SSN: (no dashes)

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Last Updated: August 17, 2004

apps

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M11125

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Figure 11-7: Participant Search Screen

2. Enter the participant's TIN or SSN.
3. Click . The Add Principal to Organization screen displays.

Active Partners Performance System

Add Principal to Organization

* Name: SP Test

TIN: 999999993

Legal Structure: General Partnership

Type of Ownership: Limited Dividend

* Address: Physical delivery address
test

* City: highsh

* State: ALABAMA

* Zip Code: 83748

* Country: United States of America

If country not United States

Territory:

* Postal Code:

* Phone: 87373848834

Fax:

E-mail:

Pager:

Parent Participant: Test 2 Corp

* Role in Entity:

Role Comment:

* Percent Ownership in Entity: 0 % (100.00)

* Starting Date in Entity: (mm-dd-yyyy)

Save

Parent Organization Structure

2530 Submission

Figure 11-8: Add Principal to Organization Screen


Please note that the TIN or SSN numbers should have a record in APPS before you can add a participant to the organization structure. If the participant does not exist you would need to register the participant in APPS and complete requesting necessary authorizations. Please refer to Chapter 3 for information on the Registration Process.

4. Enter the Role in Entity, Percent Ownership in Entity and Starting Date in Entity .

Fields marked with a red asterisk are required.

5. Click . The Add Principal within Organization screen refreshes with the message, "Principal has been added successfully."
6. Click on 2530 Submission. The 2530 Submission Edit Organization Structure screen will display with the new principal information.

11.4 Editing Information

 You may also edit the organization structure, contact information, comments and certification from the APPS Home page under the participant processing drop down list

1. On the 2530 Submission Edit Organization Structure screen, select the principal to be edited.



Active Partners Performance System

2530 Submission
Edit Organization Structure



Submission ID: 11641 Reason: Organization Change (Major)
 Applicant: Test 2 Corp (111222888) Current Status: In Process, 04/25/2006
 Parent Participant: Test 2 Corp (111222888), Springfield, VIRGINIA

Select	Name	Type	Role	Ownership Percent	Begin Date in Organization	Direct Previous Participation	Certified	Change
<input type="radio"/>	Doe, James (111222666)	Individual	Member	0	12/11/2005	No	Yes	
<input type="radio"/>	SP Test (999999993)	Individual	Limited Partner	5	05/03/2004	No	Yes	Add

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Figure 11-9: 2530 Submission Edit Organization Structure Screen

2. Click Edit Principal. The Edit Principal within an Organization screen displays.



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User ID:
MXXXXX
Online Help
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Active Partners Performance System

Edit Principal within Organization

Prefix:

* First Name:

Middle:

* Last Name:

Suffix:

* SSN:

Physical delivery address

* Address:

* City:

* State:

* Zip Code: -

* Country:

If country not United States

Territory:

* Postal Code:

* Phone:

Fax:

E-mail:

Pager:

Parent Participant:

* Role in Entity:

Role Comment:

* Percent Ownership in Entity: % (100.00)

* Starting Date in Entity: - - (mm-dd-yyyy)

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Figure 11-10: Edit Principal within Organization Screen

3. Make the necessary edits to the principal.
4. Click . The screen refreshes with the message, “Save was successful.”
5. Click . The 2530 Submission Edit Organization Structure screen displays.
6. Repeat the process if necessary.
7. Click on . The 2530 Submission Edit Contact Information screen will display

The screenshot shows the '2530 Submission Edit Contact Information' screen. On the left is a blue sidebar with the APPS logo and various links: Feedback, Secure Systems, Housing, HUD Home, HUD LDPs, GSA EPLS, 2530 Contacts, User ID: MXXXX, and Online Help Glossary. The main content area has a red header 'Active Partners Performance System' and a title '2530 Submission Edit Contact Information'. It displays submission details: Submission ID: 11641, Reason: Organization Change (Major), Applicant: Test 2 Corp (111222888), and Current Status: In Process, 04/25/2006. Below this is a 'Contact Information' form with fields for Name (Mr ABC), Phone (234-443-3434), Fax, Email, and Pager. At the bottom are buttons for Previous Step, Next Step, Save & Exit, and Cancel Submission, along with a link to the APPS Home Page.

Active Partners Performance System

**2530 Submission
Edit Contact Information**

Submission ID: 11641 Reason: Organization Change (Major)
Applicant: Test 2 Corp (111222888) Current Status: In Process, 04/25/2006

Contact Information

* Name:	Mr ABC
* Phone:	234-443-3434
Fax:	
Email:	
Pager:	

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Figure 11-11: 2530 Submission Edit Contact Information screen

8. Edit necessary contact information and click on . The 2530 Submission Edit Applicant Comments screen will display.

Active Partners Performance System

2530 Submission
Edit Applicant Comments

Submission ID: 11641 Reason: Organization Change (Major)

Applicant: Test 2 Corp (111222888)

Current Status: In Process, 04/25/2006

Applicant Comments:

Previous Step Next Step Save & Exit Cancel Submission

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Navigation Links (Left Sidebar):
Feedback
Secure Systems
Housing
HUD Home
HUD LDPs
GSA EPLS
2530 Contacts
User ID: MXXXXX
Online Help
Glossary

Figure 11-12: 2530 Submission Edit Applicant Comments screen

9. Enter necessary comments and click on [Next Step](#) . The 2530 Submission Certify Submission screen will display

Active Partners Performance System


2530 Submission
Certify Submission

Applicant					
Select	Name	TIN/SSN	Direct Previous Participation	Certified	
<input checked="" type="radio"/>	Test 2 Corp	111222888	No	No	

Participants					
Select	Name	TIN/SSN	Type	Direct Previous Participation	Certified
<input type="radio"/>	Doe, James	111222666	Individual	No	No
<input type="radio"/>	SP Test	999999993	Organization	Yes	No

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Figure 11-13: 2530 Submission Certify Submission screen

 Click on Certify and complete certification.

If you are not an authorized user/coordinator for the participants listed in your organization structure, the participants will appear to be grayed out on the screen. You have two options to continue with the 2530:

Option 1: *The Coordinator/User should request authorization for the participant, complete certifications and continue with the 2530 Submission process.*

Option 2: *If authorization cannot be obtained:*

a. *The Coordinator/Users must complete the 2530 Submission with authorized certifications and send it to HUD for review.*

b. *The Coordinator/Users must advise the unauthorized participants to send their own 2530 for the same submission.*

10. Click on [Next Step](#). The 2530 Submission Send to HUD screen will display

Active Partners Performance System

**2530 Submission
Send to HUD**

Submission ID: 11641
Current Status: In Process

Organization Change Reason: Organization Change (Major)

Applicant

Name	TIN/SSN	Direct Previous Participation	Certified
Test 2 Corp	111222888	No	Yes

— Select participant processing —

Contact Information

* Name: Mr ABC
* Phone: 234-443-3434
Fax:
Email:
Pager:

Applicant Comments:

Current Submission Status: In Process

— Select query — [Select submission query](#)

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012, 31 U.S.C. 3729, 3802)

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Figure 11-14: 2530 Submission Send to HUD screen

11. To view the applicant's entire organization structure select the Organization Tier Structure Report from the select query drop down menu (please refer to Chapter 17.4)

11.5 Sending the Submission to HUD


1. From the 2530 Submission Send to HUD page, If all information is accurate click on





2. A message will appear. If you would like to proceed, click on OK.




3. The screen will refresh with the message “Submission sent to HUD Successfully” at the top of the page.

 *Once sent to HUD the status will change from “In Process” to “PPSD Review.”*

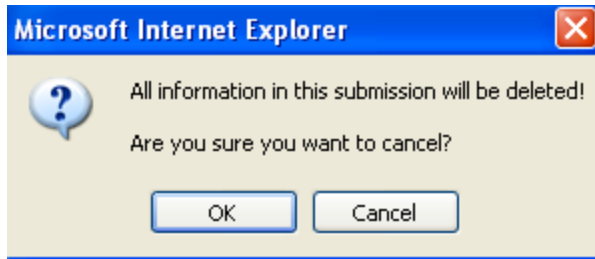
 *Note: Make sure at least one individual is in the company before sending it to HUD.*

 *If the participants in your organization structure have previous participation that is different from the applicant, they are required to submit their own 2530 for this submission.*

11.6 Canceling the Submission

1. You may cancel the submission if you entered incorrect information or no longer wish to send the 2530 submission, by clicking  .

2. A warning displays.



3. Click to cancel the submission.

11.7 Querying the Submission

Refer to Chapter 17, Submission Queries

11.8 Printing the Signature List and Previous Participation Certification

Refer to Chapter 17, Printing Submissions

11.9 Withdrawing the Submission

Refer to Chapter 7, Editing Sending, Canceling, Withdrawing Submissions, Section 7.4, Withdrawing a Submission